



PSC NEWS

Missouri Public Service Commission

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PSC APPROVES WATER MERGER

Jefferson City (October 2, 2001)---The Missouri Public Service Commission has approved an agreement which authorizes the merger of St. Louis County Water Company d/b/a Missouri-American Water Company and Jefferson City Water Works Company d/b/a Missouri-American Water Company with and into Missouri-American Water Company.

The agreement approved by the Commission was submitted by the PSC Staff, the Office of the Public Counsel, Missouri-American Water Company, St. Louis County Water Company, Jefferson City Water Works Company and Utility Workers Union of America Local 335. On September 14, the PSC Staff filed its suggestions in support of the agreement. Staff stated the proposed merger is not detrimental to the public interest.

As part of the agreement, Missouri-American Water Company will continue to make the capital investments needed to provide safe and adequate service to its customers at just and reasonable rates in each of its operating systems/districts. Over the next three years, Missouri-American will make an annual presentation about capital investments to the PSC Staff and the Office of the Public Counsel.

The agreement also calls Missouri-American to continue to soften water to maintain an agreed-upon range of water hardness levels for the identified districts that currently soften water. These agreed-upon levels are to be in effect for two years.

The Commission stated in its order approving the agreement: "The Commission has reviewed the agreement, finds it to be reasonable and in the public interest and will, therefore, approve it."

St. Louis County Water Company d/b/a Missouri-American Water Company serves approximately 306,000 water customers in St. Louis and Jefferson counties. Jefferson City Water Works Company d/b/a Missouri-American Water Company serves approximately 10,800 water customers in Jefferson City.

Case No. WM-2001-309

